

**LAKEWOOD VILLAGE TOWN COUNCIL**

**COUNCIL MEETING**

**AUGUST 1, 2016**

**Council Members:**

Dr. Mark Vargus, Mayor  
Ed Reed, Mayor Pro-Tem  
Gary Newsome  
Clint Bushong - ABSENT  
Ray Duff – ABSENT  
Dan Tantalo

**Town Staff:**

Linda Asbell, TRMC, Town Secretary

**SPECIAL SESSION - 5:30 P.M.**

With a quorum of the Council Members present, Mayor Vargus called the Special Session of the Town Council to order at 5:30 p.m. on Monday, August 1, 2016, in the Council Chambers of the Lakewood Village Town Hall, 100 Highridge Drive, Lakewood Village, Texas.

**PLEDGE TO THE FLAG:**

**(Agenda Item A)**

Mayor Vargus led the Pledge of Allegiance

**REGULAR AGENDA:**

**(Agenda Item B)**

**Discussion of Fiscal Year 2016-2017  
(Tantalo)**

**(Agenda Item B.1)**

Councilman Tantalo thanked Mayor Vargus for doing an exceptional and thorough job in preparing the budget for the council. Councilman Tantalo stated that it is now time for the councilmen to take the budget and review the numbers. There was some discussion on the ad valorem taxes for next year being approximately \$9,000 lower now that the certified tax roll has been received. There was some discussion on the Road Maintenance Fund being maintenance on the roads within town that are not the concrete roads. Councilman Tantalo requested councilmembers to formulate the priorities of the council for repair of existing roads. Mayor Vargus reported that of the \$0.25 received on the ad valorem tax rate, \$0.16 is used to pay for the concrete roads. Council discussed priorities two years ago and decided that they wanted to dedicate that amount of funding to the concrete roads and understood that other areas, like parks, would not receive the funding received in previous years. Councilman Tantalo stated that his reason for requesting this meeting was to allow the council do perform their fiduciary duty by reviewing the budget. Councilman Tantalo reviewed the total taxes received by the town through sales tax, ad valorem, and ad valorem debt servicing over the previous 4 years. Mayor Vargus reported that in 2006 the budget that was adopted was larger than the budget adopted

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each subsequent year after until 2013. During the six years from 2006 through 2013 funding had to be made up from previous over spending and property values decreasing. Mayor Vargus stated that the numbers have to be viewed in the context of funds being recouped from previous years and not viewed as a tax increase. Councilman Tantalo stated that his calculation of a 61% tax increase is based on the effective tax rate, not the actual tax rate. Councilman Tantalo proposed some spending principles. Mayor Vargus reported that there are many components to attorney fees that are not obvious; zoning/subdivision/building ordinance implementation and review; properties that are not in compliance and required major intervention. Mayor Pro-Tem Reed stated that council cannot take a general statement like “if you have to call an attorney to find out if something is legal, not to do it” and just adopt it because there are too many variables and one-off situations. Mayor Vargus stated he agrees that the town should attempt to decrease the attorney fees but there are situations like the implementing impact fees and review of the ordinances are things that cannot be done without oversight of attorneys. Councilman Tantalo stated that he believes in analyzing practices of other towns and taking their best practices to adopt them in Lakewood Village. There was some discussion about the Town Council being very clear about stating their vision for the town over the last 5 years. Councilman Tantalo expressed concern about funds not being dedicated to maintenance on current infrastructure. There was some discussion about the Road Maintenance Fund. Mayor Vargus reviewed the separation of the responsibility for road maintenance being transferred from the General Fund to the Road Maintenance Fund. Councilman Tantalo reviewed the Road Maintenance fund and questioned the inclusion of funds from the Municipal Development District sales tax, and asked if the council’s intention is to increase the residential franchise fee for residential trash collection from \$2.00 to \$4.00. There was some discussion about the improvement and maintenance of roads being a priority of the council.

There was some discussion about the responsibilities of the Town Secretary. Councilman Tantalo stated that he does not believe the Town Secretary should not be working on any project that is not directly benefiting the current town citizens within the existing corporate town limits. Mayor Pro-Tem Reed stated that the Town Secretary has important responsibilities that are focused on the Extra Territorial Jurisdiction of the town. Mayor Pro-Tem Reed stated that planning for things outside the current town limits takes a large amount of time and is critically important. Mayor Vargus reported that focus on the ETJ properties and use of that area directly affects the citizens of Lakewood Village and expenditures of time on those projects protects the current citizens of the town. There was some discussion about time and focus being divided between the ETJ and the inside of the corporate town limits.

There was discussion about the numbers proposed within the budget. Councilman Tantalo stated that Mayor Vargus did a lot of good work on preparing the budget but the councilmen have not reviewed the details of the individual lines. There was some discussion about documenting the details of the planned capital improvements for the next fiscal year. There was discussion about the process involved with proposing and adopting a budget, including inclusion of the capital improvements projects planned for that year. There was some discussion about the need for a

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new well to provide water service to current customers and planned new customers. There was some discussion about planning for areas covered by the sewer Certificate of Convenience and Necessity.

Councilman Tantalo generally reviewed his proposed changes to the budget. Mayor Pro-Tem Reed stated that he previously indicated a time-limit of two hours for this meeting due to a prior commitment and recommended that the meeting be adjourned.

Mayor Pro-Tem Reed left the dais at 7:37 p.m. At 7:37 p.m. the meeting was adjourned due to lack of a quorum.

These minutes approved by the Lakewood Village Town Council on the 11th day of August 2016.

APPROVED

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Dr. Mark E. Vargus  
MAYOR

ATTEST:

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Linda Asbell, TRMC  
TOWN SECRETARY